

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**HB 900 – SB 1634**

March 23, 2011

**SUMMARY OF BILL:** Defines “poultry,” “poultry products,” and “poultry producer” for the purposes of the Tennessee Food, Drug, and Cosmetic Act. Requires that poultry and poultry products in Tennessee that have been fed arsenic at any time prior to processing be labeled with language substantially similar to “Arsenic Fed to this Poultry Prior to Processing.” Requires that poultry and poultry products, which were not fed arsenic prior to processing, be labeled with language substantially similar to “No Arsenic Fed to this Poultry Prior to Processing.” Prohibits, as a Class C misdemeanor, the sale, delivery for sale, holding for sale, or offering for sale any poultry product with a misleading label. Classifies misleading labeling as a violation of the Consumer Protection Act, which is a Class B misdemeanor.

**ESTIMATED FISCAL IMPACT:**

**Increase State Expenditures - \$8,700/One-Time  
\$99,400/Recurring**

**Assumptions:**

- The Department of Agriculture will hire one additional Chemist 2 position at a recurring increase in state expenditures of \$45,432 (\$32,357 salary + \$13,075 benefits).
- The Department will purchase a computer and printer for the Chemist 2 at a one-time increase in state expenditures of \$2,500.
- The Department will hire one additional Food and Dairy Inspector 2 position at a recurring increase in state expenditures of \$42,023 (\$31,128 salary + \$10,895 benefits).
- The Department estimates the Inspector 2 will travel 1,500 miles per month at a reimbursement rate of \$0.46 per mile for a recurring increase in state expenditures of \$8,280 (1,500 miles x 12 months x \$0.46 per mile).
- The Department will purchase inspector supplies at a recurring increase in state expenditures of \$750.
- The Department anticipates testing 20 samples of chicken costing \$5 each twice a month at a recurring increase in state expenditures of \$2,400 (20 samples x \$5 x 24).
- The Department will purchase two lab homogenizers costing \$2,250 each and glassware items for the lab costing \$1,700 at a one-time increase in state expenditures of \$6,200 [(\$2,250 x 2) + \$1,700].
- The Department will purchase acid for the lab resulting in a recurring increase in state expenditures of \$550.
- The total one-time increase in state expenditures will be \$8,700 (\$2,500 + \$6,200).

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- The total recurring increase in state expenditures will be \$99,435 (\$45,432 + \$42,023 + \$8,280 + \$750 + \$2,400 + \$550).
- A small increase in cases in the court system, which will result in additional state and local government expenditures for processing the cases and additional state and local government revenue from fees, taxes, and costs collected. These expenditures and revenue are estimated to be not significant.

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.



James W. White, Executive Director

/sbh